

II. Acquisition

Acquisition

Ownership

Policy

All Laboratory property acquired through government funding is owned by the United States Government.

Cross-references:

Joints II.1

Contract Article IX.1(b)

Alternate Sources of Supply

Excess Property

Policy

Property declared to be excess by the Laboratory, the Department of Energy, the Department of Defense, or by the General Services Administration on behalf of other Federal agencies is considered the primary source of supply to the Laboratory (see Chapter XIV, "Excess Property").

41 CFR 109-43.301-50

Joints II.1

Responsibility

Prior to making a purchase or completing a Purchase Request (see Appendix), the requester must seek an alternative among excess property listings. This includes both internal and excess listings (see "Locating Excess" below).

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In addition, prior to procurement of property costing \$5,000 or more, the Property Management (PM) Excess Property Office must screen alternate sources of supply (i.e., excess) for property that meets the need. PM must certify that none is available before the requisition can be processed by Procurement.

Joints II.1.1

Locating Excess

Laboratory organizations can review available internal excess property at any time either through the PAIRS Swap Shop or by visiting the JCI Redistribution and Marketing (R&M) Redistribution Center.

External excess is advertised on lists distributed to line managers and others by the Excess Office. Also, the DOE, GSA, and ERLE catalogs of excess property may be reviewed there or at R&M.

Individuals seeking specific items also may notify the Excess Office and have those items placed on its "Want List."

Acquisition of Excess

A Laboratory organization wanting to acquire a specific item of internal excess property contacts the appropriate PA or R&M and arranges for transfer (see "Property Assignment" in Chapter III, "Property Control").

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When an external excess item is found that appears to match one requested directly or through a PR, PM contacts the requester to see if the available item can meet the requester's needs. If so, PM contacts the holding agency and requests the item if still available. Meanwhile, if a PR has not been done, the requester must complete one and have it signed by someone with sufficient procurement authority to cover the original acquisition cost of the item. The PR is sent to the Excess Office, which then completes a Form SF-122, Transfer Order: Excess Personal Property (see Appendix).

The item is received and processed at Receiving (see "Receiving Property"). The requesting organization is charged for packing, handling, and transportation costs.

Joints II.1 & IV.3

Gifts

Property may be given to the Laboratory as a gift either to the University or to the United States. The property custodian anticipating a gift must notify the PA in advance. The gift is acquired in the same manner as external excess except that the Purchase Request lists the acquisition cost as zero.

Intra-University Transactions

Property acquired by a University of California campus in the course of performing work under an Intra-University Transaction is government property.

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It is subject to the same policies and procedures as property directly acquired by the Laboratory. These transactions with the Laboratory are covered under University of California Memorandum Agreements and are handled in the same manner as subcontracts.

Receiving Property

Policy

All property items must be received by the Receiving Section of the Materials Management Group, BUS-4. Exceptions may be authorized by Receiving or Procurement. An official Receiving Report (RR; see Appendix) must be generated regardless of the reception point, as RRs are used to close out the purchase orders for all property items acquired by the Laboratory (see also "Property Delivered Off-Site" below).

Responsibility

Receiving is responsible for ensuring that each capital, attractive, and controlled item acquired by the organization has proper documentation and tagging. When an item is received at a Laboratory location other than Receiving, the receiving property administrator (PA) must fill out and sign a Confirmation of Receipt, Form 201 (COR; see Appendix). Included is:

- a complete description of the received item
- the model and serial numbers

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- why and how the item was picked up or was delivered directly to the organization
- shipper information
- the PO number

The COR and a packing slip, if available, are forwarded to Materials Management, which generates an RR or an RR number for the COR. Materials Management forwards the completed COR to PM, which sends a copy to the PA. Materials Management also sends the receiving organization a property-numbered tag for the item.

NOTE: CORs also are used when government property is returned directly to an organization from off-site, such as items sent out on loan or for repair.

Joints II.1.2

Identifying and Recording Property

Policy

Property will be labeled *U.S. Government Property — Los Alamos* if possible.

Labels must be placed on surfaces that are readily visible, meaning those seen most often by the item's user, and on which they are the least likely to be damaged or obscured.

In addition, items susceptible to unauthorized personal use will be marked with a permanent dye on

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a surface convenient for checking by Security personnel.

Procurement identifies capital, controlled or attractive property on all requisitions in accordance with established criteria (see "Property Numbering and Record-keeping" in Chapter I, "General Property Policies"). Property Accounting reviews these classifications to see whether capital funds are required and whether the items need to be property-numbered.

Labels for capital, controlled, and attractive property, as defined in the "General Property Policies," must include unique property identification numbers and bar codes (Laboratory property numbers and bar code numbers have been identical since 1987). These labels are referred to as "tags." Each of these items then are identified and tracked on the Property Accounting, Inventory, and Reporting System (PAIRS) database.

41 CFR 109-1.5106-1
Contract Article IX.1(c)
Joints II.2

Tagging:

- allows the property to be assigned to an individual property custodian

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- makes it possible to locate the property at any time
- makes it possible to track and inventory the item through its life cycle
- allows it to be readily identified as capital, controlled, or attractive property

Responsibilities

Receiving marks and tags all newly acquired property and records the property numbers on the RRs. The property information is fed electronically into PAIRS.

Stock items are dye-marked by the vendor before shipment or by the responsible stores organization.

If an item requiring a property number is received on-site without going through the Receiving warehouse, Receiving or Property Accounting sends a tag to the PA as soon as it processes the COR.

When a property-numbered item loses its tag, the PA is responsible for contacting the property management office or property specialist (PS) immediately. PM then reproduces the old tag and provides it to the PA. PM keeps a record of replaced tags.

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Other Tagging Situations

Property Delivered Off-Site

Policy

All property-numbered LANL property received at off-site locations must be identified as Laboratory property.

Procedure

When Procurement enters the purchase in its Purchasing, Accepting, Invoicing, and Disbursing database (PAID), it is coded with the special handling code "M" for off-site delivery.

Property Accounting receives monthly a listing of all items recorded in PAID with this code. It then:

- completes a Property Transfer Slip (PTS; see Appendix)
- enters the item in PAIRS
- sends the intact PTS, a copy of the purchase order (and subcontract, if any), and a bar code label for each item to the PA

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The PA:

- processes a Form 1054, Certification of Government-Furnished Equipment (see Appendix)
- sends to the off-site receiver the Form 1054 and bar code label(s) with a letter providing instructions for their use

The receiver must inspect the item(s) for damage or errors in shipment as soon as they are received. Problems should be noted on the waybill and the carrier's signature obtained, and the buyer should be notified of the problem as soon as possible. Unless this occurs and the receiver is instructed otherwise, the receiver will:

- review, sign, and return the Form 1054 within 15 days of receiving it
- affix the bar code label(s) properly to the item(s)

41 CFR 109-60.101

Upon receiving the completed Form 1054, the PA distributes copies of the PTS, with a copy of the 1054 also going to Property Accounting. The PA enters the requesting Laboratory individual as the custodian in PAIRS, as well as the location, and processes a PTS if other changes are needed.

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Fabricated Property Items

Upon determining that an on-site fabrication order has been completed and closed, Property Accounting is responsible for recording in PAIRS any item that meets the criteria for property-numbering. A PTS is completed and sent to the PA for his or her signature, along with a bar code tag for the item.

Just-in-Time Vendors

PM provides through Receiving blocks of unassigned tags for vendors with Just-in-Time contracts, which deliver property items on-demand. Logs are kept by property number of which tags are supplied to which vendor. Each time an order is filled, the vendor applies a tag before shipment to Receiving, which then processes the item normally.

Property in Stores

See Chapter XI, on "Property in Stores."